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Action Has Consequences for U.S. National Security

**European Union Likely to End Arms Embargo
On the People's Republic of China**

Executive Summary

- In recent months, there has been considerable discussion within Europe's capitals about ending the 15-year, non-binding EU arms embargo on the People's Republic of China (PRC). The United States should view this probable action as a significant issue with far-reaching strategic consequence. The pending decision is nothing less than a threshold test of Europe's leadership in world affairs and its solidarity with the United States.
- Congress and the Bush Administration should do everything possible to encourage the Europeans to: acknowledge the danger in lifting the arms ban; stand by their democratic principles; and demonstrate their solidarity with the United States on key security issues.
- The need for the arms embargo is clear: During the past decade, Beijing has continued to engage in acts that gravely threaten U.S. security and national interests. The PRC has a long-established record of disregarding U.S. export control laws as well as selling (or retransferring) Western technologies to third countries (such as Russia, North Korea, Iran, and Pakistan), none of which would ever have been allowed to obtain these technologies from the United States directly.
- A range of export control policies exist that could respond to the effects of Europe's arms sales to the PRC. Specifically, Congress could:
 - Establish new U.S. procedures for examining economic exchanges with Europe to ensure that the U.S. arms sales will not have detrimental effects on U.S. national security;
 - Develop a transatlantic consultative mechanism to prevent the transfer of sensitive military-related technology from the West to the PRC;
 - Refuse to grant export licensing exceptions to the British and other European allies; and
 - Develop, to some degree, specific U.S.-only military technological capabilities and reduce American reliance on European technologies, resulting in fewer purchases of European arms.
- If, in June 2005, the EU ignores U.S. security concerns, the United States will once again be forced to reduce its reliance on collective institutions such as the EU and U.N. that more and more seem to reduce themselves to policies of the lowest common denominator. Moreover, the U.S. will have to redouble its efforts to build ad-hoc coalitions of the willing on key tests and issues in the U.S. national interest.

Introduction

In recent months, there has been considerable discussion within Europe's capitals about ending the 15-year, non-binding EU arms embargo on the People's Republic of China (PRC). France, Germany, and Great Britain have led the charge for lifting the ban. Recently, Javier Solana, the European Union's (EU) foreign affairs commissioner, stated that the EU will lift the informal ban on arms sales to the PRC by June 2005.¹

U.S. policymakers have significant reason to be concerned about this development. First, the PRC actively proliferates weapons and militarily useful components and data to Iran and other rogue states. Its large foreign intelligence and covert military acquisition networks and its repeated failures to enforce Chinese laws regarding export controls demonstrate a policy of, at minimum, a disinterest in non-proliferation, and, at worst, one favoring proliferation. U.S. and Allied troops could very well face Western, *i.e.* NATO, weapons and weapons technology in any future combat either with the PRC or with the PRC's illicit clients.

More to the point, should the EU formally lift the ban, U.S. troops and U.S. national security would be put at great risk and transatlantic defense cooperation would be seriously undermined. The United States would not be able to transfer sensitive, advanced military technologies to Europe, many of whose firms are already large U.S. suppliers, for fear that these technologies may be retransferred to the PRC and then on to America's enemies.

Second, lifting the embargo sends a worrisome signal to U.S. allies such as Taiwan, Australia, and Japan, who would most likely be among the first countries directly affected by the PRC's acquisition and potential proliferation of Western technologies. Beijing has made it clear in public statements, white papers, arms buildups, and missile tests that the reunification of China by force remains a realistic option.² It is also no secret that PRC military planners seek to negate or diminish the ability of the U.S. armed forces to rapidly assist Taiwan in defending against a PRC first strike.³ The acquisition of Western military technologies would greatly enhance the PRC's ability to render less effective such U.S. military assistance to Taiwan.

Finally, Beijing's harsh anti-democratic policies and significant human rights abuses remind us that the PRC does not practice or support an agenda of freedom and liberty. According to repeated State Department annual reports, rule of law does not exist in the PRC and citizens lack both the freedom to peacefully express opposition to the party-led political system and the right to change their national leaders or form of government.⁴ Not only do these issues matter to the U.S., but the PRC's policies inherently clash with European goals, principles, and newly minted EU constitutional provisions regarding respect for human rights and democracy. In fact, the EU's own report on human rights finds no improvement in the PRC's record — yet that record was the very reason the EU adopted the embargo in the first place.

The EU arms embargo, and any decision regarding its status, is a major test of the EU's leadership in world affairs. If the ban is lifted, the EU's ability to be seen as a responsible non-

¹ *Wall Street Journal Europe*, "Don't Let China Off the Hook," January 25, 2005.

² U.S. Department of Defense, "FY 2004 Annual Report to Congress on the Military Power of the People's Republic of China," May 2004.

³ U.S.-China Economic and Security Review Commission, 2004 Report to Congress, June 2004.

⁴ U.S. Department of State, Country Reports on Human Rights Practices, 2003.

proliferation partner with the United States in the world will be compromised. Given that the ban likely will be lifted in June, now is the time for the United States to consider its options, including the most politically difficult ones. It must be made clear to Europe that the United States strongly opposes lifting the ban, and doing so will be wrought with economic and security consequences.

Background on EU Embargo

The EU imposed its informal (non-binding) ban in 1989 following the PRC's crackdown on democracy activists and the massacre of hundreds of students in Tiananmen Square. In June 1989, the European Council of Ministers issued a declaration that called for "interruption by the member states of the community of military cooperation and an embargo on trade in arms with China."⁵ However, no common position was taken by the Council on what constituted an arms embargo, which left individual member states to determine the extent of the embargo within their own laws and regulations.

By comparison, the stricter U.S. embargo, also enacted following the massacre, is a matter of law. In June 1989, President George H.W. Bush announced sanctions on the PRC to protest its actions. In February 1990, Congress codified the sanctions' prohibition on weapon sales (P.L. 101-246). The law suspended export licenses for items on the U.S. Munitions List and specifically barred the export of U.S.-origin satellites for launch on PRC launch vehicles. According to testimony by Congressional auditors, the U.S. prohibition on arms sales to China "covers a broader range of items than the EU embargo, as implemented."⁶ This is because the U.S. Munitions List includes non-lethal military equipment (for example, radios, and radars) in addition to lethal equipment (such as missiles).

Why the EU Wants to Lift the Ban

There are two primary reasons why the EU and the leading European nations are reluctant to maintain the arms embargo on the PRC: First, most European nations don't agree with the United States in its strategic outlook toward the PRC. Second, there are strong commercial interests driving the effort to lift the ban.

Strategic Outlook

It has become apparent during the past decade that some of the leading European nations, i.e., France and Germany, do not necessarily share the same strategic outlook as that of the United States. For example, some of the larger EU countries do not share similar defense commitments in East Asia, most notably demonstrated by the lack any permanent military presence in the region. Moreover, the EU's Common Foreign and Security Policy (CFSP) clearly breaks with U.S. policy as well as the North Atlantic Charter with regard to the PRC. Numerous statements made by EU officials demonstrate this point. Prior to the EU-China Summit in December 2004, European Commission President Jose Manuel Barroso stated: "Our Chinese partners have acknowledged the importance of the EU as a strategic partner and our relationship is growing in the political as well as

⁵ European Council Declaration on China: Madrid, 26-27 June 1989.

⁶ GAO, "U.S. and European Union Arms Sales Since the 1989 Embargoes," Testimony before the Joint Economic Committee, April 28, 1998, GAO/T-NSIAD-98-171.

trade fields. Developing this relationship will be one of our top foreign policy objectives in the years to come.”⁷

Overall, European nations do not share the same concerns regarding the Taiwan-PRC issue. In fact, it can be argued that the majority of European nations likely would not intervene in a crisis in the Taiwan Straits because they are not politically engaged in the issue and do not have the capabilities to intervene successfully even if they wanted to.

French and German officials, who are the leading proponents of lifting the arms embargo on the PRC, argue that it is “outdated.”⁸ French foreign ministry spokeswoman Cecile Pozzo di Borgo was quoted recently as saying: “Of course we are in favor of a lifting of the embargo. It no longer corresponds to the reality of the Euro-Chinese strategic partnership.”⁹ They also argue that the embargo is inappropriate because it places the PRC in the same league as countries such as Myanmar and Zimbabwe, also under embargo.¹⁰

Commercial Interests

Some financial analysts have predicted that eliminating the embargo will translate into preferential treatment when it comes to trade.¹¹ Specifically, European defense firms are interested in mammoth infrastructure and aerospace contracts with the PRC. Recently, Airbus signed a multi-billion dollar deal with the PRC. The backlog of orders the European Aeronautic Defence and Space Company (EADS) maintained for China at the end of 2003 amounted to \$4.4 billion.¹² Rainer Hertrich, the CEO of EADS, clearly stated the importance of China to the European aerospace and defense industry: “In line with our long-term approach, we are planning to strengthen our presence in China...The latest successes of EADS illustrate the soundness of our strategic partnership with China.”¹³

In another example of European and Chinese aerospace and defense firm cooperation, Eurocopter (wholly owned by EADS) signed a framework contract with China Aviation Industry Corporation II (AVIC II) in October for the joint development and production of a new multipurpose helicopter that will be available on the world market in 2010.¹⁴ And, in June 2004, EADS signed a contract for an assembly line in China that will produce the EC-120 light helicopter (HC-120 for the Chinese market).

Yet another example of cooperation between Europe and China includes Galileo, Europe’s own global navigation satellite system and response to the U.S. Global Positioning System (GPS). In October 2004, members of the Galileo Joint Undertaking (GJU) signed an agreement with the China National Remote Sensing Center to include China in the development of Galileo. China has

⁷ See: http://europa.eu.int/comm/external_relations/china/summit_1204/ip04_1440.htm.

⁸ AFP, “France Urges End to ‘Outdated’ EU arms ban on China,” January 26, 2004; AFP, “EU Leaders Hint at June Date for Lifting China Arms Ban,” December 17, 2004.

⁹ AFP, “France Reiterates Support for End to China Arms Embargo,” December 6, 2004.

¹⁰ *The Economist*, “The Reds in the West,” January 13, 2005.

¹¹ *The Economist*, “The Reds in the West”; *The Asian Wall Street Journal*, editorial, “Don’t End the Embargo on China,” December 8, 2004.

¹² EADS, “Significant Advance for EADS in China,” *Press Release*, December 7, 2004.

¹³ EADS, “Significant Advance for EADS in China.”

¹⁴ EADS, “Eurocopter and China Aviation Industry Corporation II Start a New Long Term Strategic Partnership,” *Press Release*, October 11, 2004.

committed to contribute \$246.4 million to the program.¹⁵ Global positioning technology is the ultimate dual-use item. Given the strategic importance GPS plays to U.S. military operations, unfettered access to an equivalent system by China's People's Liberation Army may have grave military implications in the future.

What the EU Has Said About Lifting the Embargo

The European Council, in its "Presidency Conclusions" of December 16 and 17, 2004, "reaffirmed the political will to continue to work towards lifting the arms embargo."¹⁶ However, the Council added ambiguity and incongruity to its statement by noting that "the result of any decision should not be an increase of arms exports from EU Member States to PRC, neither in quantitative nor qualitative terms."¹⁷ Notwithstanding this statement, EU arms trade to the PRC has steadily increased, as evidenced in reports produced by the EU. In 2002, arms trade to the PRC amounted to €10 million (\$220.1 million) and €416 million (\$522.3 million) in 2003. This trend will clearly continue to grow.¹⁸

Proponents of lifting the embargo say it would be a largely symbolic gesture because the ban will be replaced, in effect, by a "revised Code of Conduct" now being drafted that would regulate all arms sales by the EU's 25 member states.¹⁹ However, the code of conduct has not been unveiled and is expected to be non-binding. Opponents worry that a vaguely constructed, nonbinding code will not deter arms sales.²⁰

Why the U.S. Should Be Concerned

The PRC is a Strategic Competitor and Threat to the U.S. and its Allies

During the past decade, Beijing has continued to engage in acts that gravely threaten U.S. security and national interests. It is clear from both U.S. and Chinese open source material that the PRC is undertaking rapid and comprehensive military-focused acquisitions and operations.²¹ Within the past 12 months, the PRC has: deployed an advanced diesel submarine fleet; launched a manned space program; deployed peacekeepers to Haiti; and announced first-ever joint military exercises with Russia during the summer of 2005.

According to the Congressional Research Service, during the past decade China has become the developing world's number one weapons importer. Its purchases have totaled some \$17.8 billion in U.S. dollars since 1995, and have included weapons systems such as Russian destroyers,

¹⁵ Galileo Joint Undertaking, "Galileo Gets a Global Vision: The Chinese National Remote Sensing Center (NRSCC) becomes a Member of the Galileo Joint Undertaking," *Press Release*, October 9, 2004.

¹⁶ Council of the European Union, "Presidency Conclusions," 16238/04, December 17, 2004.

¹⁷ Council of the European Union, "Presidency Conclusions."

¹⁸ See: <http://www.sipri.org/contents/expcon/ear2002.pdf>; <http://europa.eu.int/eur-lex/>; and Sibylle Bauer and Mark Bromley, "The European Union Code of Conduct on Arms Exports: Improving the Annual Report," SIPRI Policy Paper No. 8, Stockholm International Peace Research Institute, November 2004, at <http://editors.sipri.se/pubs/EUCoDofConduct.html>.

¹⁹ Council of the European Union, "Presidency Conclusions"; *Financial Times*, "Top U.S. official Rejects Straw's Attempt to Ease Tension Over China Arms Embargo," January 20, 2005.

²⁰ State Department, "Fact Sheet: EU Arms Embargo Against China," November 17, 2004.

²¹ U.S. Department of Defense, "FY 2004 Annual Report to Congress on the Military Power of the People's Republic of China," May 2004.

missiles, attack submarines, and fighter jets.²² If the embargo is lifted, the PRC would likely rapidly acquire as much Western technology as it could in order to modernize its capabilities and develop its own domestic production capacities. The PRC's procurement trends indicate that the PLA has a dual-track modernization strategy: To obtain "hard" capabilities — platforms such as fighter aircraft, submarines, surface ships, and anti-ship cruise missiles — from Russia; and obtain from Europe "soft" capabilities, or enabling capabilities — particularly C4ISR (Command, Control, Communications, Computers, Intelligence, Surveillance, and Reconnaissance). These softer capabilities, what the Europeans call "non-lethal" items, are really more dangerous than the platforms Russia sells, because at present, the PRC has difficulties putting its missiles on target.

During the past six years, there have been an alarming number of cases reported in the press and uncovered during congressional inquiries that illustrate how China has exploited loose U.S. export controls to acquire sensitive U.S. technology. In some instances, this technology has been used to improve China's military capabilities. Perhaps the greatest single indicator of the threat posed by the PRC in this regard was presented in 1999 by the House of Representatives' Select Committee on U.S. National Security and Military/Commercial Concerns with the People's Republic of China, led by Representative Chris Cox (R-CA).²³ Among the Cox Commission's key findings was that: the PRC engaged in extensive espionage to acquire the design plans for America's most advanced thermonuclear weapons; the PRC illegally obtained U.S. missile and space technology to improve its own military and intelligence capabilities; and the PRC sought to acquire advanced U.S. technology in order to achieve its long-term goals.

Follow-on studies and analysis by the Department of Defense and the congressionally created U.S. China Economic and Security Review Commission have only added further concern as to PRC's efforts and intentions in acquiring U.S. and Western military and dual-use technologies.²⁴ In its most recent report on PLA activities, the Department of Defense found that the PLA has actively studied how U.S. and Coalition forces conducted Operation Enduring Freedom and Operation Iraqi Freedom in order to learn how U.S. forces fight and operate as well as to revise its own warfighting plans with respect to the use of airpower and special forces.²⁵

Driving the PRC's modernization effort is its focus on developing a variety of credible military options to deter moves by Taiwan toward permanent separation or, if required, to compel by force the integration of Taiwan under mainland authority. The PRC has done this through arms buildup; missiles positioned mainly on the southern part of the country and pointed toward Taiwan; military exercises that focus on island invasions; and bellicose statements of forcefully retaking the island nation. According to the 2002 report of the U.S. China Economic and Security Review Commission, China's military has been instructed to have viable military options to accomplish this objective by 2005-2007.²⁶ The Commission's 2004 report found that "China has increasingly developed a quantitative and qualitative advantage over Taiwan."²⁷

²² Congressional Research Service, "Conventional Arms Transfers to Developing Nations, 1995-2002," September 2003.

²³ See the 1999 report of the "United States House of Representatives Select Committee on U.S. National Security and Military/Commercial Concerns with the People's Republic of China," <http://www.house.gov/coxreport>.

²⁴ U.S. Department of Defense, "FY 2004 Annual Report to Congress on the Military Power of the People's Republic of China," May 2004; U.S.-China Economic and Security Review Commission, 2004 Report to Congress, June 2004.

²⁵ See: Department of Defense Annual Report on the Military Power of the People's Republic of China, June 2004.

²⁶ U.S.-China Economic and Security Review Commission, 2002 Report to Congress, July 2002.

²⁷ U.S.-China Economic and Security Review Commission, 2004 Report to Congress, June 2004.

A second set of objectives, though no less important, includes acquiring or developing capabilities to deter, delay, or disrupt third-party intervention, *i.e.* U.S. in a cross-Strait military crisis. Beijing is actively hunting for the technologies and weapons systems that would achieve such a goal – and, if the European embargo is lifted, the PRC may just get them. The EU wants to sell and the Chinese Communist Party wants to buy avionics upgrades for its multi-role aircraft SU-30s. Such technology may give the PLA a decisive edge in a first strike on Taiwan.

The PRC Engages in Massive Weapons Proliferation

If Europe's arms ban is lifted, it is quite probable that Western weapons systems may end up in our enemies' hands. The PRC has a long-established record of disregarding U.S. export control laws as well as selling (or retransferring) Western technologies to third countries (such as Russia, North Korea, Iran, and Pakistan), none of which would ever have been allowed to obtain these technologies from the United States directly.²⁸

One Chinese firm, Huawei Technologies, which has purchased sensitive "dual-use" technology such as high-powered computers and telecommunications equipment from the United States, and provided Saddam Hussein with technology and know-how to improve Iraq's air defense system before Operation Iraqi Freedom. In addition, the U.S. Commerce Department has stated that Chinese companies are refusing to allow "end-use" inspections on U.S. sensitive technologies to determine whether these goods are being sold or diverted for military purposes. "We conduct such end-use verification visits without problem in over 85 countries," Commerce Undersecretary Kenneth Juster has said.²⁹ "However, we have difficulty on this issue in China, where the government often restricts our ability to conduct this routine activity." Juster added that China bought \$2.8 billion worth of dual-use goods in 2002, which was a five-fold increase from 2001.

Some of the most flagrant examples of the PRC's proclivity to proliferate are found in its sales to Iran, a country more geographically proximate to Europe than the United States. In December, the U.S. government sanctioned eight PRC firms for selling arms and technologies to Iran. In fact, in 2004 alone, the U.S. government imposed sanctions 22 times on Chinese entities for proliferation to Iran under the Iran Nonproliferation Act of 2000. Given that PRC entities have retransferred sensitive U.S. technology to third countries, there is no reason to believe that it wouldn't do the same with European technology.

Beijing Maintains Harsh Anti-Democracy Policies at Home and Abroad

Since the imposition of the U.S. and EU embargo 15 years ago, the PRC's human rights policies have not dramatically improved. To date, Beijing has not admitted wrongdoing nor apologized for the Tiananmen massacre. In fact, just this week, police in Beijing beat and arrested scores of individuals who publicly mourned the recent death of Zhou Ziyang, the PRC's premier who opposed the Tiananmen massacre and was placed under house arrest as a result.

Repeated annual U.S. State Department and European Union human rights reports find that Beijing continues to repress the basic human rights and freedoms of the Chinese people, most notably through arbitrary imprisonment, denial of expressions of freedom and religious practice, and the denial of a fair public trial. Perhaps one of the newest forms of PRC repression includes the

²⁸ See recent CIA report on proliferation: http://www.odci.gov/cia/reports/721_reports/july_dec2003.htm.

²⁹ *Washington Times*, "China Blocks Checks," October 17, 2003.

harsh practice of Internet censorship that denies Chinese citizens the abilities to send and receive information and news from Western sources. According to the State Department, in 2003 alone, more than 48 people were found guilty by the PRC's Internet police in having committed acts of "incitement to subvert state power." This, along with the PRC's long-standing practice of imprisoning democracy activists, such as Wei Jingsheng and Yang Jianli, represent two of the PRC's worst human rights abuses.

Beijing's policies toward the democratic rights of the people of Taiwan and Hong Kong also have been troubling. With regard to Taiwan, Beijing has repeatedly called it a "renegade" nation.³⁰ Beijing has also actively pursued policies aimed at diplomatically isolating Taiwan from international organizations where state sovereignty is not a prerequisite for membership, most notably from the U.N.'s World Health Organization. For more than seven years, the PRC has actively sought to deny Taiwan the opportunity to be allowed to join the WHO as an observer.

Beijing has imposed more direct rule on Hong Kong, which Great Britain handed back to the PRC in 1997. Most notably in 2003, Beijing attempted to impose its own draconian media and human rights restrictions on Hong Kong by having the province adopt Article 23 to its Basic Law. Article 23 legislation would have penalized individuals and groups who display and distribute publications critical of China's communist government, and it would have allowed people or groups who work for change in government policy be susceptible to charges of "sedition," "subversion," and "treason," as well as subject to severe penalties, including life imprisonment or execution. In July 2003, after outcries from media and nongovernmental organizations — and the passage of a U.S. House resolution — the PRC dropped its crusade to have Hong Kong adopt Article 23.

Appropriate U.S. Response to Europe Lifting the Ban

The ramifications of a probable termination of the arms ban by the EU require that the United States act to protect our own national security interests. Both the Bush Administration and Congress can take action. Congress has repeatedly warned that U.S. action would be necessary if the ban were lifted. On February 2, 2005, the House of Representatives, led by Representative Henry Hyde (R-IL), chairman of the House International Relations Committee, passed a resolution (H. Res. 57) putting the EU on notice of its opposition to lifting the arms embargo on the PRC and condemning, among other things, the current practice of informal arms sales by the EU to the PRC. The resolution warned the EU that any attempts by the institution or its members to lift the arms embargo will not be viewed favorably by Congress and may have consequences with regard to export licensing. It is likely the Senate will soon act on a similar resolution. Europeans, then, should not regard such congressional action as precipitous.

A range of export control policies exist that could respond to the effects of Europe's arms sales to the PRC. Specifically, Congress could:

- Establish new procedures that the U.S. government would have to follow, possibly through a new interagency office housed at either the State Department or Commerce Department, which would explicitly and thoroughly examine all economic exchanges with Europe to be sure that the United States is not selling potentially troublesome (i.e., PRC-desired "dual-use" or "soft") technologies that can have detrimental effects on U.S. national security if

³⁰ U.S.-China Economic and Security Review Commission, 2004 Report to Congress, June 2004.

retransferred or sold. A special regime for analyzing dual-use technologies, munitions, and other defense sales to Europe, as well as for revising NATO weapons criteria, would be an essential aspect of these new procedures.

- Encourage the revival of CoCom (Coordinating Committee for Multilateral Export Controls) with a focus toward the PRC. CoCom was formed by Western governments in 1949 to prevent the transfer of military-related technology from the West to the Soviet Union and Eastern Europe, and it operated on informal agreements regarding items having military applications and those with nuclear uses. Had Europe lifted its embargo on the PRC when CoCom was still in effect, the United States would have had a mechanism authorizing U.S. officials to get information on any European defense sales to the PRC. Presently, no consultative mechanism exists between the United States and the EU on arms sales, and there is no legal requirement for the EU or for any European nation to inform the United States of arms sales to the PRC. By establishing a consultative mechanism based on CoCom, the United States and Europe would at least have a form of dialogue, if not an outright export control regime in place, to address concerns related to technology transfers and arms sales to the PRC. Surely this kind of cooperation could not be objectionable to our allies in Europe who continuously stress the need for cooperative regimes.
- Refuse to grant export licensing exceptions (on some of America's most sensitive technologies) to the British and other European allies that have pressed the Bush Administration to relax such restrictions. The lifting of Europe's embargo would necessitate that the U.S. tighten its export license policy, specifically by refusing to grant export licenses or sell "dual-use" goods to any European nation that sells arms to the PRC.
- Develop, to some degree, specific U.S.-only military technological capabilities and reduce American reliance on European technologies, resulting in fewer purchases of European arms. While certainly not in the national security interest of the United States to reduce interoperability standards with our NATO and non-NATO allies, the development of U.S.-only technologies would ensure that our most sensitive technologies are not retransferred to strategic competitors and that American armed forces retain a decisive battlefield advantage.

The Administration also has a key role to play in this controversy. President Bush can use his upcoming late-February trip to Europe to publicly promote the U.S. stance. And Secretary of State Condoleezza Rice can do the same on her mid-February trip. They should emphasize that, if we are going to work together with the EU in future, then the EU must take our security concerns seriously. Specifically, Secretary Rice and President Bush should:

- State that the United States seeks to develop a common agenda on addressing security challenges to the transatlantic community, and that, as part of this, both the United States and EU must develop a forward-looking agenda that takes into consideration each other's concerns. A central aspect of this agenda is the need for the United States to be convinced that the EU takes America's security concerns seriously and that discussions must occur to address national security concerns.
- Enlist support from European allies (such as Portugal, Denmark, the Czech Republic, Norway, the Netherlands, Poland, Sweden, and the Baltic states) that share our common transatlantic agenda and have publicly opposed the lifting of the EU's arms ban on the PRC.

- Encourage our more like-minded NATO allies to raise the issue in NATO as a security concern of a member state and inform all members of the adverse effect lifting the embargo would have on defense cooperation between the U.S. and NATO states. If some nations opposed such a U.S. stance, it would be their responsibility to publicly explain why the arms sales to the PRC is in the Alliance's interest. Some NATO members may argue that China is "out of area" or far enough from Europe that it does not pose a direct threat to their national security interests. Such an argument is nonsense, however, considering that NATO is running security operations in Afghanistan, which shares a border with the PRC. Therefore, the consequences for defense cooperation are clearly a matter of NATO interest.
- Urge the EU to make legally binding and enforceable its Code of Conduct for arms exports to the PRC and ensure that this Code reflects U.S. and NATO technology transfer concerns.
- Publicly call on the EU to uphold principles of internationally recognized human rights rather than act only in the short-term economic self-interest of its members.
- Seek to gain commitments from EU states about the type of cooperation they will commit to regarding sales of technology to the PRC.

These actions may not all be well received by some of America's European allies. However, the goal is to try and influence the writing of the new European policy toward arms sales with the PRC so that there is a stringent, legally binding embargo in place. Achievement of this goal would ameliorate some of the strains in the U.S.-EU relationship and demonstrate that Europe shares common security concerns with America.

Conclusion

The United States should view the probable action by the European Union to lift its arms ban on PRC as a significant issue with far-reaching strategic consequence both for this nation and for Europe. The pending decision is nothing less than a threshold test of Europe's leadership in world affairs and its solidarity with the United States.

The United States has critical national security interests at stake. Congress and the Bush Administration should do everything possible to encourage the Europeans to: acknowledge the danger in lifting the arms ban; stand by their democratic principles; and demonstrate their solidarity with the United States on key security issues.

If, in June 2005, the EU ignores U.S. security concerns, the United States will once again be forced to reduce its reliance on such collective institutions as the EU and U.N. that more and more seem to reduce themselves to policies of the lowest common denominator. Moreover, the United States will have to redouble its efforts to build ad-hoc coalitions of the willing on key tests and issues in the U.S. national security interest.